

C O P Y

EXECUTIVE OFFICE OF THE PRESIDENT
Bureau of the Budget
Washington 25, D. C.

July 30, 1953

My dear Mr. Dulles:

Section 1313 of H.R. 6200 "Making supplemental appropriations for the fiscal year ending June 30, 1954, and for other purposes" as reported to the Senate (section 1213 as passed by the House) provides as follows:

"Sec. 1313. Pursuant to section 1415 of the Act of July 15, 1952 (66 Stat. 662), foreign credits (including currencies) owed to or owned by the United States may be used by Federal agencies for any purpose for which appropriations are made for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of such credits), only when reimbursement therefor is made to the Treasury from the applicable appropriations of the agency concerned: Provided, That such credits may be used until June 30, 1954, without reimbursement to the Treasury, for liquidation of obligations legally incurred against such credits prior to July 1, 1953: Provided further, That such credits received as exchange allowances or proceeds of sales of personal property may be used in whole or part payment for acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement to the Treasury."

Page 45 of the House Appropriation Committee Report (No. 762) on this bill, contains the following statement with respect to this section:

"Sec. 1213 authorizes the use of appropriated funds to purchase foreign credits owed to or owned by the United States, as required by Section 1415 of Public Law 547, 82nd Congress. The Committee expects that the Treasury Department, the General Accounting Office, and the Bureau of the Budget will take appropriate administrative action in their respective fields to insure that custody, control, reporting, purchase, sale and accountability of foreign currencies and

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credits will be handled in accordance with the principles outlined in the Budget Bureau's January report to the Committee on this subject."

Enclosed herewith is a copy of a tentative draft of Executive Order suggested by the Secretary of the Treasury providing for the issuance by the Secretary of regulations governing the acquisition, custody, and disposition of foreign exchange by the United States.

The Director of the Bureau of the Budget will appreciate having an expression of your views with respect to the proposed order not later than Monday, August 10, 1953.

Sincerely yours,

(Signed) Roger W. Jones

Assistant Director for
Legislative Reference

Honorable Allen W. Dulles
Director, Central Intelligence
Agency
Washington 25, D. C.

Attention:

Mr. Walter L. Pforzheimer
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Enclosure